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No. 98-62

IN THE

Supreme Court of the United States

OCTOBER TERM, 1997

ETHICON, INC. and INBAE YOON, M.D.,

Petitioners,

—v.—

UNITED STATES SURGICAL CORPORATION
and YOUNG JAE CHOI,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MOTION FOR LEAVE TO FILE BRIEF *AMICUS CURIAE* AND BRIEF *AMICUS CURIAE* OF AMERICAN HOME PRODUCTS CORPORATION, BECTON, DICKINSON AND COMPANY, CHURCH & DWIGHT CO., INC., MEDTRONIC, INC., SCHERING-PLOUGH CORPORATION, AND WARNER-LAMBERT COMPANY IN SUPPORT OF *CERTIORARI*

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MOTION OF AMERICAN HOME PRODUCTS CORPORATION, BECTON, DICKINSON AND COMPANY, CHURCH & DWIGHT CO., INC., MEDTRONIC, INC., SCHERING-PLOUGH CORPORATION, and WARNER-LAMBERT COMPANY FOR LEAVE TO FILE BRIEF *AMICUS CURIAE* IN SUPPORT OF *CERTIORARI*

Pursuant to Rule 37.2 of the Rules of the Court, the corporations listed below respectfully move this Court for leave to file the *amicus curiae* brief in support of *certiorari* that is attached hereto as required by Rule 37.2(b). The petitioners consent to this motion; the respondents do not.

Movants are engaged in the development and manufacture of health and related products. They sponsor and support research and invention, and seek patent protection for successful results thereof. They are assignees and exclusive licensees of patents covering inventions by others. Essential to preserving such intellectual property is the ability to prevent others from freely infringing patents. In movants' view, as set forth in the accompanying brief, the decision of the Federal Circuit for which *certiorari* is being sought seriously undermines protection against patent infringement. Movants believe the questions presented for review are important and fully warrant consideration by this Court.

Accordingly, it is respectfully requested that the motion to file the attached brief *amicus curiae* be granted.

Respectfully submitted,

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BRIEF *AMICUS CURIAE* OF AMERICAN HOME PRODUCTS CORPORATION, BECTON, DICKINSON AND COMPANY, CHURCH & DWIGHT CO., INC., MEDTRONIC, INC., SCHERING-PLOUGH CORPORATION, AND WARNER-LAMBERT COMPANY IN SUPPORT OF *CERTIORARI*

This brief *amicus curiae* is respectfully submitted in support of *certiorari* pursuant to Rule 37.2.

The Federal Circuit's dismissal of petitioners' suit eliminated an exclusive licensee's fundamental right to recover damages for patent infringement. 135 F.3d 1456 (1998). In

dismissing, the court expressed no doubts about the validity of the patent at issue, its claims or the exclusive license. Nor did it suggest any doubts about the infringement of two of the patent's claims by respondent U.S. Surgical Corporation ("USS") or of the right of petitioner Ethicon, Inc. ("Ethicon") to recover damages for such infringement. Indeed, the Federal Circuit acknowledged that only Ethicon could recover from USS for such infringement. 135 F.3d at 1467.

In eliminating the legitimate interest of Ethicon in securing such recovery, the Federal Circuit did not contend anyone else's interest was superior to Ethicon's nor that any public interest or objective would be furthered by depriving Ethicon of its patent rights. Rather, the panel majority held dismissal was required simply because someone already in the action as an intervenor-defendant (Mr. Choi, co-inventor of portions of two patent claims not involved in USS's alleged infringement) had not voluntarily labeled himself a plaintiff. 135 F.3d at 1467-68.[1] The ostensible need for Mr. Choi to declare himself a plaintiff was not for purposes of protecting whatever interest, if any, he or USS might have -- they could do that themselves as parties already before the court -- but was a matter of mere formality, which the court did not pretend made sense except as being "substantive patent law." *Id.*[2]

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[1] There was no reason for Mr. Choi to choose to become a plaintiff as he had no stake in the infringement damages recoverable from USS, and USS promised him a million dollar payment if it prevailed. 135 F.3d at 1465, 1467.

[2] While acknowledging that "Choi cannot release U.S. Surgical from its liability for past accrued damages to Ethicon" (135 F.3d at 1467), the court recognized that the effect of its decision was to undo that principle of substantive patent law: "the result is effectively no

(continued...)

Rule 19, Fed. R. Civ. P., both in letter and spirit, emphatically rejects this rigid, antiquated approach. It directs all federal courts to consider every possible way "in equity and good conscience" to avoid doing what the Federal Circuit did -- eliminating a plaintiff's substantive rights because of a joinder issue. The dissent urged that Rule 19 " 'makes inappropriate any contention that patent co-owners are per se indispensable in infringement suits' " (135 F.3d at 1472) and observed that "Mr. Choi is already before the court as a party, having voluntarily intervened, by general appearance" (*Id.*). Nevertheless, the majority chose to be silent about Rule 19 in adopting a rule that for no good reason deprived plaintiff of a remedy and effectively released the alleged infringer from liability for patent infringement.

INTEREST OF AMICI

Amici are engaged in the development and manufacture of health and related products. They sponsor and support research and invention, and seek patent protection for successful results thereof. They are assignees and exclusive licensees of patents covering inventions by others. Essential to preserving such intellectual property, and the considerable investment behind it, is the ability to prevent others from freely infringing patents. Were the Federal Circuit decision to stand, that ability would be seriously undermined.

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[2] (...continued)
different than if Choi could grant a release to U.S. Surgical of any liability to Ethicon . . . ." Id. at 1468.

AMICI'S CONCERN

The practical basis for concern, stated simply, is this: The present invention process frequently involves technicians and consultants who may come and go during the course of a project. And, of course, inventors "bounce" ideas off and get ideas from, colleagues, acquaintances and others. The 1984 amendment of 35 U.S.C. § 116 permits "the naming of all persons who assisted in the development of an idea, or parts thereof, that originated with others." 135 F.3d at 1469 (emphasis added). The particular level of "contribution" that will qualify someone as a joint-inventor is not subject to precise prediction. Consequently, as this case demonstrates, the prospect of individuals coming forward at some later time and being found to have contributed to some minor, peripheral portion of some patent claim in a multi-claim patent is real.

What the Federal Circuit has now declared (by ignoring Rule 19) is that when this happens, such an individual has the unfettered absolute power to prevent all enforcement (*i.e.*, to obliterate the patent rights of others) by the simple expedient of declining to be named a plaintiff in infringement actions. Moreover, as illustrated below, the individual can sell his exercise of this absolute power to the highest bidder, including the infringer who took another's intellectual property without compensation.

Indeed, unless the Federal Circuit is directed to apply Rule 19, searching for, and trafficking in, potential peripheral "contributors" promises to become a regular feature of patent infringement litigation.

The problem is exemplified by the case at issue. USS was accused of infringing two claims of a 55-claim patent, claims 34 and 50. 135 F.3d at 1459. In the course of

discovery, USS became aware of Mr. Choi and contacted him in the hope he might be found to have made some contribution to any claim of the patent. Mr. Choi, a technician, had worked with the inventor until 1982, when he withdrew believing the inventor "found his work unsatisfactory and unlikely to produce any marketable product." *Id.* The withdrawal was well before the 1984 passage of the amendment to 35 U.S.C. § 116. As the dissent observed:

> "Before the statutory change made in 1984 Mr. Choi could not have been named a 'joint inventor' of the '773 patent, for he had not jointly conceived and contributed to the entire invention. It is not disputed that his contribution is limited to elements of two of the fifty-five patent claims." 135 F.3d at 1469 (emphasis added).

As to the only two claims to which Mr. Choi was found to have contributed to any extent (claims 33 and 47) (135 F.3d at 1461-64), no one makes or sells instruments covered by either. Pet. 6 n.2. They are not the patent claims USS was charged with infringing.

Nevertheless, USS contracted with Mr. Choi, giving him an immediate payment of $300,000 and promising an additional million dollars contingent on USS prevailing in this action. 135 F.3d at 1465. With this incentive, it is hardly difficult to understand that Mr. Choi would not voluntarily be a plaintiff against USS.

What is more difficult to understand is a rule of law that permits an alleged infringer to effectively obtain a release of its liability in this fashion from someone unable to give it such a release directly. 135 F.3d at 1467.

Respectfully, this Court should not permit this to become a model "perfect" defense of infringement actions, particularly since federal courts have in Rule 19 the ability to be just and fair to all parties.

CONCLUSION

It is respectfully submitted that *certiorari* should be granted to resolve the important issues raised by this case.

Respectfully submitted,

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